

MTA BOARD June 22, 2006

SUBJECT: PUBLIC HEARING RE: RESOLUTION OF NECESSITY FOR THE

ACQUISITION OF PARCELS ES-667 FOR THE METRO GOLD LINE

EASTSIDE EXTENSION PROJECT

ACTION: ADOPT RESOLUTION OF NECESSITY

### RECOMMENDATION

A. Hold a public hearing on the proposed resolution of necessity.

B. Adopt the attached Resolution of Necessity authorizing the commencement of an eminent domain action to acquire fee simple title to LACMTA Parcel ES-667.

### **RATIONALE**

Acquisition of the Parcel ES-667 is required in connection with the construction and operation of the Indiana Street Station of the Metro Gold Line Eastside Extension Project ("Project"). In February 2002, the LACMTA Board (the "Board") certified the Final Environmental documents and adopted the Locally Preferred Alternative ("LPA") for the Project. The LPA included the acquisition of a portion of the Ramona Opportunity High School, a 150-student specialty high school located at the northeast corner of Indiana Street and 3<sup>rd</sup> Street within the County of Los Angeles (the "School"). In addition, the Los Angeles Unified School District (LAUSD) adopted an Initial Study/Mitigated Negative Declaration on November 4, 2004 covering the rebuild/reconfiguration of the School and which included the acquisition of the nine parcels on Alma Street for the construction of a new school. On May 3, 2006, the Board approved additional funding to rebuild the School and directed staff to negotiate a Property Exchange Agreement with LAUSD which describes the terms and conditions of a land exchange which would allow Metro to acquire the property from LAUSD necessary for the Project's Indiana Street Station and to rebuild the School.

The current reconfiguration alternative allows the school to remain at its current location and expand across Alma Street. The Board previously authorized staff to reach an agreement with the Los Angeles Unified School District ("LAUSD") to initiate the design and environmental work for the reconfiguration of Ramona High School. Under this agreement, LACMTA is responsible for real estate acquisition of nine properties and the relocation of occupants related to the acquisition of these properties. The nine properties on Alma Street are to be transferred to LAUSD in exchange for the school property required for the Project. A written offer was presented to the owners of record, as required by California Government Code Section 7267.2. To date, six of the Alma properties have been acquired, two are under contract and one of the

offers has not been accepted. Because the Property is needed to proceed with construction of the Project, staff recommends the acquisition of the remaining Property through eminent domain.

In accordance with the provisions of the California Eminent Domain law and Sections 30503, 30600 and 130220.5 of the California Public Utilities Code (which authorize the LACMTA to acquire property by eminent domain), the LACMTA has prepared and mailed notice of this hearing to the owners of record and the Clerk of the County of Los Angeles, informing them of their right to appear at this hearing and be heard on the following issues: (1) Whether the public interest and necessity require the proposed Project; (2) Whether the proposed Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury; (3) Whether Parcel ES-667 is necessary for the proposed Project; and (4) Whether an offer was made in compliance with Government Code Section 7267.2. After all of the testimony and other evidence have been received by the LACMTA from all interested parties, the LACMTA must determine whether to adopt the proposed resolution of necessity to acquire Parcel ES-667 by eminent domain. In order to adopt the resolution, the LACMTA must, based upon all the evidence before it, find and determine that the conditions stated above exist. Attached is evidence (Attachment 1) submitted by staff that supports adoption of the attached Resolution that has been approved by counsel, and which sets forth the required findings.

### FINANCIAL IMPACT

Funds to acquire the fee simple interests to Parcel ES-667 are included in the approved Metro Gold Line Eastside Project Budget, and are available to proceed with this acquisition.

# **ALTERNATIVE CONSIDERED**

The Board has the option to withhold adoption of the Resolution of Necessity. This would result in an additional delay in obtaining possession of the required property, and thereby potentially cause delays and increased cost to the Project.

### **ATTACHMENTS**

Attachment 1 - Staff Report

Attachment 2 - Resolution of Necessity

Prepared by: Velma C, Marshall

Director of Real Estate

Roger Moliere

**Executive Officer** 

Property Management and Development

Roger Snoble

**Chief Executive Officer** 

# STAFF'S REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF PARCEL ES-667 FOR THE METRO GOLD LINE EASTSIDE EXTENSION PROJECT.

### **BACKGROUND**

Parcel ES-667 is required in connection with the construction and operation of the Indiana Street Station of the Metro Gold Line Eastside Extension Project ("Project"). The parcel number, address, and record owner (as indicated by title report issued by Orange Coast Title Company), and nature of the property interest sought to be acquired (based upon the Final Environmental Impact Report and Study for the Eastside Light Rail Project), is listed below:

Parcel Number	Parcel Address	Owner	Interest Sought
ES-667	226-226 ½ S. Alma Avenue, Los Angeles (APN 5232-019-029)	Charles L. Rojas and Robert M. Rojas, co- trustees of the Abel J. Rojas Full Management Trust dated October 10, 1990	Fee Simple

The initial written offer to acquire the fee simple interest to Parcel ES-667 was made to the property owner on December 22 2004. The initial offer was rejected and a subsequent appraisal and revised offer was made on June 1, 2005. Acquisition of the property was put on hold in July 2005, pending resolution of several issues related to the location of the Indiana Street Station and the cost of rebuilding or reconfiguring Ramona High School. The Project was reactivated in late 2005 and an updated appraisal was obtained for the property. A new offer was submitted to the property owner on March 20, 2006. Staff made personal presentations of the offer and engaged in subsequent telephone conversations and meetings with the owner in an attempt to reach a mutually acceptable agreement regarding the acquisition. An acceptable settlement could not be reached with the owner of Parcel ES-667.

Following is an analysis as to why the attached Resolutions of Necessity should be adopted. Additional information justifying the adoption of the Resolution is contained in the Initial Study/Mitigated Negative Declaration adopted by LAUSD on November 4, 2004, the Final Environmental Impact Report and Environmental Impact Study for the Eastside Project, which was certified by the Board on February 28, 2002, the Major Investment Study, approved by the Board on February 24, 2000 and the other environmental documents and analysis referenced therein.

In the spring of 2001 a Draft Environmental Impact Report and Environmental Impact Study (DIER/EIS) was circulated and reviewed by interested and concerned parties, including private citizens, community groups, the business community, elected officials and public agencies. Public hearings were held to solicit citizen and agency comments. A No-Build Alternative and

three Locally Preferred Alternatives ("LPA") were presented in the DEIR/EIS. On May 24, 2001 the LACMTA Board formally adopted the LPA for the East Side Corridor to be the Light Rail Transit Project after review and consideration of the comments received from circulation of the DEIR/EIS. In October 2001, a Final Environmental Impact Report and Environmental Impact Study (FEIR/EIS) was circulated to present the Locally Preferred Alternative for the Eastside Corridor Project.

The Metro Gold Line Eastside Project is a six-mile easterly extension of the Metro Gold Line Pasadena Project that terminates at Union Station. The Metro Gold Line Eastside Project will begin at Union Station and cross over US 101 on an aerial structure and then gradually become an at-grade segment near the intersection of Alameda Street and Ducommon Street. The alignment continues south along the east side of Alameda Street and turns east at the center of 1<sup>st</sup> Street and continues at grade to Clarence Street in Boyle Heights and then becomes a subway segment. The subway segment traverses underneath or adjacent to 1<sup>st</sup> Street for about 1.7 miles east to just west of Lorena Street in Boyle Heights. The alignment continues as an at-grade segment traversing 1<sup>st</sup> Street east from Lorena Street to Indiana Street where it turns south and continues along the east side of Indiana Street to 3<sup>rd</sup> Street. At 3<sup>rd</sup> Street, the alignment turns eastward and continues at grade to Pomona Boulevard where it terminates at Atlantic Boulevard. The proposed eight stations of the LPA are located at 1<sup>st</sup>/Alameda, 1<sup>st</sup>/Utah, 1<sup>st</sup>/Boyle, 1<sup>st</sup> Soto, Indiana Street (off street location), 3<sup>rd</sup>/Ford, 3<sup>RD</sup>/Mednik and Pomona/Atlantic.

In order to construct the Indiana Street Station, a portion of the existing Ramona High School Project must be acquired. LACMTA and LAUSD entered into a Feasibility Agreement dated July 15, 2003 which confirmed that the School would be rebuilt on a reconfigured site and that LACMTA would acquire the additional properties on Alma ("Alma Properties") required to complete the school construction. The Alma Properties would then be exchanged for the School property.

The property included in this action is required for the construction and operation of the Ramona High School Project and the Metro Indiana Street Station.

### A. The public interest and necessity require the Project.

1. The Eastside Corridor communities of Boyle Heights and East Los Angeles are characterized by a large and growing population (over 212,000 according to the 1990 census, 275,000 expected by 2020) of predominately Latino ethnic origin, a high percentage of low-income households and relatively high rates of transit use and transit dependence. In these communities, nearly 20 percent of workers use the bus system on their journey to work (as compared to 6.5 percent for Los Angeles County as a whole), and rates of carpooling and walking to work are also higher than the County average. Employment densities are six times higher within the Eastside Corridor than Los Angeles County as a whole. The corridor is growing (20 percent population and 30 percent employment growth between now and 2020), and a new transportation investment would make the Corridor attractive for other types of urban investment in the future. All major freeways serving the Eastside Corridor area are currently operating above their design capacities during peak period, and for significant durations during off-peak

periods. No major improvements to existing freeways in the study area are identified in any adopted transportation plans. Residents of the Eastside Corridor have expressed their desire for improved transit service because many are transit dependent and need improved access to the region's educational, employment and cultural opportunities. This project will further these goals and contribute to an improved overall transportation system for the Los Angeles region and for the Eastside Corridor specifically.

- 2. Implementation of the Project will improve access and mobility for residents, employees and visitors to the Eastside Corridor and result in a reduction of vehicle miles per day and reduction of auto air pollutants.
- 3. The Project will support land use and development goals as stated in the City of Los Angeles and County of Los Angeles plans for joint development opportunities, and increased land use intensity in transit station areas.
- 4. The Project will provide convenient access and improve connectivity to the regional transit system and will thereby provide alternative means of transportation during fuel crises.
- 5. The Project will meet the need for improved transit service of the many transit-dependent people within the Eastside Corridor area.
- 6. The Ramona High School Project provides education programming for female high school students within LAUSD who have special constraints and needs. Many of the students are teen mothers and require both educational programming as well as daycare facilities, while attending class.

It is recommended that based upon the above evidence that the LACMTA Board find and determine that the public interest and necessity require the Project.

B. The proposed Project is planned and located in the manner that will be the most compatible with the greatest public good and least private injury.

Stations are located in corridors that have a high number of daily trips, high levels of congestions, high levels of transit usage, dense populations, densely located jobs and a high number of workers. Stations are spaced about one mile apart from each other with the understanding that the average person will not walk more than a half-mile to get to a station. There is also an attempt to locate stations near land-uses that will provide active spaces i.e. destinations that people will want to travel to or from. There is also an attempt to locate stations on properties that will have the least amount of impact. The Major Investment Study for the Eastside reviewed over 47 different alternatives that resulted in the recommendation to move forward with a light rail project with stations.

The existing school site is located on the northeast corner of Indiana Street and 3<sup>rd</sup> Street. The site for the proposed reconfiguration of Ramona Opportunity High School includes a portion of the existing school site, as well as eight residential properties, including Parcel ES-667, along

Alma Avenue, and one commercial property located east of Alma Avenue, all adjacent to the existing school site. Additional information pertaining to the proposed reconfiguration of the Ramona Opportunity High School is contained in the Initial Study/Mitigated Negative Declaration adopted by LAUSD on November 4, 2004.

It is recommended that based upon the above evidence, that the LACMTA Board find and determine that the Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury.

# C. The interest in the subject property is necessary for the proposed Project.

The fee simple interest in Parcel ES-667 is required in connection with the construction and operation of the Indiana Street Station. This property, in addition to the other properties on Alma Street that have been acquired by MTA are proposed to be transferred to LAUSD in exchange for a portion of the existing the school site, on which the actual station will be located.

Parcel ES-667 is legally described in the attached Exhibit "A" and is generally depicted in the parcel plat map attached hereto as Exhibit "B", all of which are incorporated herein by this reference.

It is recommended that based upon evidence, LACMTA Board find that the acquisition of Parcel ES-667 is necessary.

# D. An offer was made in compliance with Government Code Section 7267.2

California Code of Civil Procedures Section 1245.230 requires that a Resolution of Necessity contain a declaration that the governing body has found and determined that either the offer required by Section 7267.2 of the California Government Code has been made to the owner(s) of record, or the offer has not been made because the owner(s) cannot be located with reasonable diligence.

California Government Code Section 7267.2 requires that an offer be made to the owner(s) of record, in an amount which the agency believes to be just compensation. The amount must not be less than the agency's approved appraisal of the fair market value of the property. In addition, the agency is required to provide the owner(s) with a written statement of, and summary of the basis for, the amount it established as just compensation.

LACMTA staff has taken the following actions as required by California law for the acquisition of Parcel ES-667:

- 1. Obtained an appraisal to determine the fair market value of the fee simple title in and to Parcel ES-667.
- 2. Reviewed and approved the appraisal, and established the amount of just compensation for the property.

- 3. Determined the owner of the subject property by examining the county assessor's records and title reports, and
- 4. Made a written offer to the owner of ES-667 for the established amount of just compensation, which was not less than the approved appraisal amount.

It is recommended that based upon the above evidence, that the LACMTA Board find that an offer have been made to the applicable property owner in compliance with Government Code Section 7267.2, and that the acquisition of the above mentioned Property is necessary.

# **ATTACHMENTS**

- 1 Legal Description (Exhibits "A")
- 2 Plat Map (Exhibits "B")
- 3 Resolution of Necessity for ES-667

### **RESOLUTION OF THE**

# LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY DECLARING CERTAIN REAL PROPERTY NECESSARY FOR THE EASTSIDE GOLD LINE EXTENSION PROJECT (LACMTA PARCEL ES-667)

THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY HEREBY FINDS, DETERMINES, AND RESOLVES AS FOLLOWS:

### Section 1.

The Los Angeles County Metropolitan Transportation Authority ("LACMTA") is a public entity organized and existing pursuant to Chapter 2 of Division 12 of the California Public Utilities Code (commencing with Section 130050).

### Section 2.

The property interests described hereinafter are to be taken for public use, namely, for public transportation purposes and all uses necessary, incidental or convenient thereto, in connection with the development, construction, operation and maintenance of the Indiana Street Station and right of way for the Metro Gold Line Eastside Extension Project ("Project");

# Section 3.

The LACMTA is authorized to acquire the property interests described hereinafter pursuant to the following:

- a. Article I, Section 19 of the Constitution of the State of California;
- b. California Public Utilities Code, Division 10, Part 3 (Sections 30000-33020, inclusive), and Sections 30503 and 30600 in particular;
- c. California Public Utilities Code, Division 12 (Sections 130000-130730, inclusive), and Section 130220.5 in particular; and
- d. California Code of Civil Procedure Sections 1240.010-1273.050, inclusive, and Section 1240.320 in particular.

### Section 4.

The property to be acquired is located in the County of Los Angeles, and is more particularly identified as follows:

a. The fee simple title in and to Parcel No. ES-667, containing approximately 6,647 square feet; (including building structures and improvements pertaining to realty) consisting of a full property acquisition.

Parcel ES-667 is described more specifically in Exhibit "A", attached hereto, and is generally depicted in the Parcel Plat Map attached hereto as Exhibit "B", both of which are incorporated herein by this reference.

### Section 5.

- (a) The environmental impacts of the Project were evaluated in the Eastside Light Rail Transit Project Final Environmental Impact Report ("FEIR") and the Eastside Light Rail Transit Project Final Environmental Impact Study ("FEIS") for this Project; and the Initial Study/Mitigated Negative Declaration adopted by Los Angeles Unified School District for the reconfiguration of the Ramona Opportunity High School, on November 4, 2004.
- (b) The Los Angeles County Metropolitan Transportation Authority has reviewed and considered the Eastside Light Rail Transit Project FEIR and FEIS, before and as part of the process of determining whether to acquire the above-referenced properties.

### Section 6.

The Los Angeles County Metropolitan Transportation Authority hereby declares that it has found and determined each of the following:

- (a) The public interest and necessity require the Project;
- (b) The Project is planned or located in the manner which will be most compatible with the greatest public good and the least private injury;
- (c) The property sought to be acquired, which has been described herein, is necessary for the Project; and
- (d) The offer required by Section 7267.2 of the Government Code has been made to the owner of record.

### Section 7

The property described in Section 4, above, is being acquired as substitute property, in accordance with Code of Civil Procedure Section 1240.320, and said property is necessary for the purposes specified in said Section 1240.320.

### Section 8.

Legal counsel is hereby authorized and directed to take all steps necessary to commence legal proceedings, in a court of competent jurisdiction, to acquire the property described above, by eminent domain. Counsel is also authorized to seek and obtain an Order of Immediate Possession of said property in accordance with the

provisions of the eminent domain law and to deposit the total sum of probable just compensation fixed by the Superior Court in its order determining and establishing security for said immediate possession with the Clerk of said Superior Court in connection therewith.

Counsel is further authorized, pursuant to Section 30258 of the Public Utilities Code, to associate with, at its election, a private law firm for the preparation and prosecution of said proceedings.

I, MICHELLE JACKSON, Secretary of the Metropolitan Transportation Authority, do hereby certify that the foregoing Resolution was duly and regularly adopted by the Metropolitan Transportation Authority at a meeting held on the 22nd day June, 2006
MICHELLE JACKSON MTA Secretary Date:
APPROVED AS TO FORM: Raymond G. Fortner, Jr. County Counsel
BY:

### EXHIBIT "A"

# LEGAL DESCRIPTION

LOT 24 IN BLOCK 31 OF H. T. HAZARD'S EAST SIDE ADDITION, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 24 OF PAGE 25 ET. SEQ OF MISCELLANEOUS RECORDS IN THE OFFICE OF COUNTY RECORDER OF SAID COUNTY.

